Automotive News

October 29, 1990

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Side-impact standards weigh heavily on small cars

By Diana T. Kuryiko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Small, fuel-efficient cars will likely get bigger and heavier to comply with a new standard designed to reduce injuries in side impacts.

But automakers will buy time for their small cars by meeting the first phase of the standard in the 1994 model year with big cars that don't need side improvements.

Many large vehicles already have the kind of door strength and interior padding that meet the new regulation announced last week. The nation's entire car fleet won't be affected by the new rule until the 1997 model year.

Meeting the standard will present a challenge to some manufacturers because the extra weight of padding and reinforcement could cut down on passenger room in small cars. More significantly, the standard will further complicate efforts to reduce weight and meet federal fuel economy standards.

In addition, the doors on two-door models will be harder and more expensive to reinforce. The National Highway Traffic Safety Administration estimates the average cost on a two-door will be $90 per car vs. $25 for a four-door.

Yet in announcing the new rule, NHTSA called it "the most significant improvement in motor-vehicle safety" since the 1984 passive-restraint requirement.

"We will save 500 lives and reduce injuries by 26,000 each year," said Transportation Secretary Samuel K. Skinner at a press conference outside the U.S. Capitol.

A Ford Tempo with a massive side dent rested beside Skinner. Behind the driver's seat and in the front passenger seat were two of NHTSA's side-impact dummies, known as SID.

The dummy became the center of debate during the dozen years that NHTSA considered a new side-impact rule. General Motors argued that its BioSID was better, and the Europeans developed EuroSID. But NHTSA chose its own entry. It was one of the most controversial

see IMPACT, page 50

CHARLES KRASNER

The Legend grows

Acura's all-new 1991 Legend sedan will reach U.S. dealer showrooms in November, sporting more length, width and power from a bigger, longitudinally mounted 3.2-liter V-6 engine that develops 200 horsepower. A Legend coupe will follow next March. Story on Page 52.

GM to idle 11 plants in November

6 are truck sites; 6 other locations face closing in sales pinch

By Karen Detkowski
AUTOMOTIVE NEWS STATISTICIAN

Soft car sales and softer truck sales could cause General Motors to lose production of 125,000 units this quarter as it idles as many as 17 of its 33 North American assembly plants.

GM has notified workers at five U.S. truck plants, a Canadian truck plant and five U.S. car plants that they will be idle one to four weeks in November.

According to a supplier source and tentative GM schedules, four more U.S. plants and two Canadian plants may follow the already announced closings.

Scheduled shutdowns at the 11 plants will knock out production of 73,910 units. If all 17 plants shut down, GM will lose more than 10 percent of its scheduled fourth-quarter output of 1,153,000 units.

GM's truck and car sales have been up since Oct. 1, but the improvement can be discounted somewhat because 1989 sales dropped after a strong September.

In the first 20 days of October, GM truck sales were up 11.9 percent, and car sales were up 18.5 percent. In September, GM truck sales were off 21.9 percent, and car sales were down 11.6 percent.

The announced truck plant closings are:

- Flint, Mich., (Blazer-Jimmy-Sburban) will be idle four weeks beginning Oct. 29.
- Lordstown, Ohio, (Chevrolet-

see CLOSINGS, page 55

Ford revises dealer billing procedures

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Beginning Dec. 1, Ford and Lincoln-Mercury dealers will have to pay for their vehicles 10 or 11 days sooner, but they will be reimbursed for the extra floorplan expenses incurred, and they will be reimbursed more often.

Dealers also will continue to receive 15 days of free floorplanning from the day the vehicle is delivered.

Dealers (or their finance sources) will have to pay for vehicles the day after they leave the factory. Currently, payment is due the day the dealer is scheduled to receive a vehicle. Typical transit time is 10 or 11 days, Ford says.

The new policy means Ford will get its money sooner, but the company says the change in billing is not related to a reduced cash supply the company has experienced as a result of lower sales and

see BILLING, page 50

SATURN SALES

On Day 1, a Calif. dealership trolls a stream of not-so-typical prospects

Automotive News *Staff Reporter Kristine Stiven Breese spent opening day at a Saturn store. Here's her report:*

SEPULVEDA, Calif. — Meet Virginia Zingo.

The 78-year-old beauty-shop employee moved from Detroit to California more than a decade ago. Last Thursday she was the first to place an order on the first official day of business at Saturn of the Valley.

Saturn won't be picky about its customers. But General Motors' new company had people like Andy and Tricia Gibson in mind when it designed its new sedans and coupe. Andy, a 28-year-old airplane mechanic, and Tricia, a 27-year-old schoolteacher, took delivery of the ceremonial first Saturn at 9:01 the night before, just after midnight Eastern time.

As prescribed by the Saturn game plan, the sale came from the imports. The Gibsons traded in a 1987 Nissan Sentra for their new $10,500 Saturn sedan.

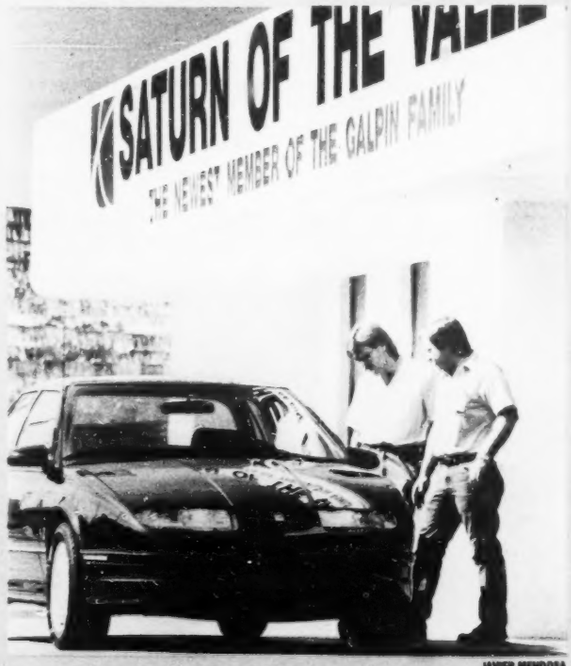
Zingo was part of a stream of lookers and buyers — a World War II veteran, a wheelchair user, an actor, — who kept traffic steady at Saturn of the Valley. It was one of 29 Saturn stores that opened last Thursday to sell the cars slowly being produced at Saturn's plant in Spring Hill, Tenn.

Store employees were less concerned about the demographic profile of the group than about a shortage of cars, especially coupes and models with automatic transmissions.

The day:

8:15 a.m. — A handful of cu-

see SATURN, page 51



JAVIER MENDOSA

Jim Adams and Frank Aguire, employees at General Motors' Camaro/Firebird plant in Van Nuys, Calif., check out GM's newest model at Saturn of the Valley, Sepulveda, Calif.

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NEWSPAPER

Dealers win some, lose some in new GM sales pact

By Phil Frame
AUTOMOTIVE NEWS STAFF REPORTER

General Motors begins a new chapter in dealer relations Thursday when the 1990 sales and service agreement goes into effect.

Although the five-year contract has been hailed by the National Automobile Dealers Association as a major improvement over previous pacts, the NADA outlines many areas in which GM's 9,595 dealers have lost rights that they had in the 1985 franchise agreement:

- Dealers no longer must be notified when GM is studying putting a new dealership within their area.
- Dealers will need prior written permission from GM to add a dual point with another manufacturer.
- GM will gain an absolute right to buy a dealership if the owner has agreed to sell it to someone other than family or a top dealership manager.
- More reasons for termination are outlined, and GM has fewer mandates for communication with the dealer about to be terminated.

At least on the surface, the new contract is much different from the 1985 agreement it replaces. For the first time, each division has a separate sales and service agreement to go with a core contract that has provisions that apply to all GM dealers.

The divisional agreements also have different dispute resolution processes, replacing the current arbitration system that relies on a GM-paid retired judge.

NADA President Ray Green has said the pact is a major step toward improving relations between GM and its dealers.

"It's No. 1 in the industry," Green said. "There just isn't any other agreement today that provides for dealer input and dealer decision-making like this does."

But Green and NADA are more reserved in describing the pact to members in a bulletin outlining the changes.

"While the new 1990 agreement is not perfect from a dealer standpoint, NADA is optimistic

see PACT, page 52

HIDDEN IMAGE/HANS G. LEHMANN

Mercedes-Benz offers insights to its upcoming minivan with its technology-packed show vehicle due to debut at next year's Geneva Motor Show. This artist's rendering of what the vehicle may look like shows a centered driver seat followed by two middle and two rear seats.

Minivans: More in store for Europe

Analysts tap today's tiny market segment as hot niche for '90s

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, Germany — Europe's microscopic minivan market appears destined to become the fastest-growing niche of the 1990s as several carmakers formulate plans to enter the segment.

Analysts regard small passenger vans in Europe as a market waiting for products — and a boom market at that. The London research group DRI Europe expects a phenomenal tenfold growth by the end of the decade, to about 750,000 units annually.

According to Carol Thomas, who has analyzed the segment for DRI, the surge will be supply-driven as manufacturers bring out new models one by one.

"The growth will be very largely product-led," said Thomas. "I don't know if people actually need these vehicles."

In its most recent European Light Trucks Forecast Report, DRI projects sales of 80,000 minivans in 1990, up from 68,765 in 1989. But it predicts that the segment will almost quadruple by 1995, to about 300,000 units, as new entries dribble out.

In contrast, the firm foresees only 9 percent growth for the total market in that same time frame.

But 1995 will be merely a point at which several new models now in the planning stages are expected to reach production, DRI says. The firm's analysts project that the market could double again by 1998 — to 600,000 to 650,000 units — and rise to about 750,000 by the end of the century.

But DRI also sees risks. According to the report, "The wide variation in market share of station wagons in European countries indicates that a full development of the market for vehicles with this type of niche is by no means assured."

The European minivan market is currently occupied only by the Renault Espace, Chrysler Voyager imports from the United States and various Japanese entries in low numbers. But most European automakers are pursuing minivan projects, and the Japanese are becoming more aggressive with new models, like the Toyota Previa.

Ford of Europe and Volkswagen AG are believed to be near a deci-

see MINIVANS, page 53

PROFITABLE PARTS

Some car dealers tap into new revenues by supplying body shops, competitors

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Some U.S. car dealers have spun off their parts departments into separate businesses that sell to their own dealerships and body shops, fleets and even competing dealerships.

The idea has gained particular attention in the Northeast, where General Motors' decision to close five parts distribution centers is prompting some GM dealers to open warehouses of their own.

And it comes as dealers find themselves squeezed between contradictory goals — the need to cut the expense of maintaining a huge parts inventory and the need for fast access to a large inventory so they can repair vehicles quickly.

Last summer, Long Island dealer Neil Feldstein opened Neil Parts, a subsidiary in Holbrook, N.Y., with its own 75,000-square-foot warehouse and delivery trucks.

Feldstein said the move made economic sense on its own merits, but he expects to pick up some extra business because GM is phasing out its 136,000-square-foot parts distribution center in Bethpage, Long Island.

Neil Parts carries a $5 million inventory of parts from GM, Ford Motor Co., Chrysler Corp. and Hyundai Motor America. Feldstein sells those makes at his six dealerships. He said Neil Parts is the only facility of its size in the region with parts from all of the domestic Big 3.

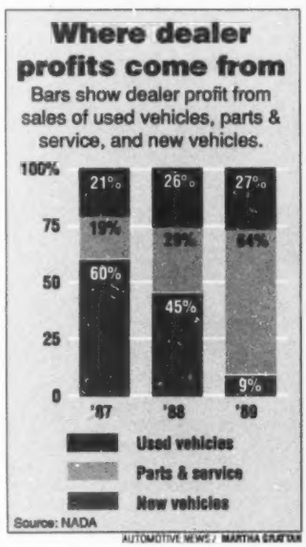
GM has "more than 500" dealers who are "fairly good-sized and aggressively pursuing" the wholesale parts business, said J. Timothy O'Connor, general sales manager for dealers for GM Service Parts Operations.

He said that in a declining new-car market, dealers are paying more attention to parts and service, especially with an eye toward customer satisfaction and keeping repeat customers.

As a result, some dealers have been "growing the (parts) business fairly aggressively over the last three or four years," O'Connor said.

"What you have are the aggres-

see PARTS, page 36



INDEX

Around the world	20
Auction dates	38
Classifieds	43-48
Coming events	48
Dealing with dealers	35
Keith Crain	12
Late news	8
Letters	14
Opinion	12
Personnel	38
Production	55
Recreation on wheels	16

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AUTOMOTIVE NEWS (ISSN 0005-1551) is published weekly except semiweekly the fourth week in July at 1400 Woodbridge, Detroit, MI 48207. Second-class postage is paid at Detroit, MI and at additional mailing offices. Postmaster: Send address changes to AUTOMOTIVE NEWS, Circulation Department, 965 E. Jefferson, Detroit, MI 48207.

Car, truck sales climb 11.2% over depressed '89 period

By Kathy Jackson
AUTOMOTIVE NEWS STAFF REPORTER

Car and truck sales for the middle 10 days of October were a boon for U.S. automakers and their dealers compared to the depressed mid-October period last year.

Every automaker except Chrysler Corp. and Mitsubishi reported higher combined car and truck sales for the period as 280,633 units were delivered for an 11.2 percent increase.

The period had nine selling days each year.

In mid-October 1988, car and truck sales totaled 320,266. Thus, this year's performance was better than last year's, but it was 12.4 percent below the total of two years ago.

Car sales totaled 181,927 this year, a 15.3 percent increase over a year ago. Truck sales were 98,706, an increase of 4.3 percent.

Sales through Oct. 20 this year trailed 1989 — another sluggish year — by 5.01 percent. Through Oct. 20 last year, 11,936,464 cars and trucks had been sold; the total was 11,338,105 on Oct. 20 this year.

For the full year in 1988, the car-truck sales total was 15,464,000, a figure that is out of reach for 1990. Arvid Jouppi, senior vice president for research at Keane Securities Co. in Detroit, called 1988 "the last of the great watershed years" for the industry.

"Last year was a disaster," Jouppi said. He expects a better fourth quarter this year than last year but still expects vehicle sales this year to trail last year's 14,547,749.

October car sales have been bright for Chrysler Corp. Deliveries rose for the second straight 10-day period, this time by 5.6 percent. Chrysler's truck sales fell 18.7 percent in mid-October, bringing its combined car and truck sales down 6.7 percent.

Bernie Lasky, general sales manager at Hollywood Chrysler-Plymouth Inc. in Hollywood, Fla., said Chrysler's car sales are up because "people are really starting to take a good look at American cars." Chrysler truck sales are down, Lasky said, because dealers don't have much product. He said so many consumers have been ordering the restyled 1991 minivans that there aren't enough in stock.

Lasky said he believes Chrysler Corp. sales would improve even more if company Chairman Lee Iacocca would stop doing commercials for the products. "We just need good old John and Jane Doe," he said, "not some guy in a shirt and tie."

General Motors' car sales improved 15.1 percent, and its truck sales rose 7.5 percent for a combined hike of 12.4 percent. Buick, Chevrolet and Oldsmobile reported car sales gains; Cadillac and Pontiac were down. GM's truck sales (including minivans) were up across the board.

Ford Motor Co. sold 84,675 cars and trucks for the period for a combined increase of 9.9 percent. Car sales were up 8.9 percent, and

see SALES, page 53

OCTOBER'S MIDDLE 10 DAYS, DOMESTIC CAR SALES

	Oct. 11-20 1987	Oct. 11-20 1988	Oct. 11-20 1989	Oct. 11-20 1990
Chrysler	19,909	29,269	22,336	23,581
Ford	46,335	59,613	45,880	49,968
GM	76,509	93,086	69,980	80,571
Transplants	11,273	14,228	19,552	27,807
Total	154,026	196,196	157,748	181,927

SOURCE: Automotive News Data Center

PARTS

FROM PAGE 3

sive, entrepreneurial dealers expanding their facilities to grow the business; some on the premises if they have the land available and the facilities available, and some in a separate facility close by," he said.

The National Automobile Dealers Association doesn't keep separate statistics on the larger dealer-based parts businesses, but NADA figures show that parts and service operations now contribute a higher percentage of dealership profits than either new or used cars.

Parts and service accounted for 14.6 percent of gross sales dollars at dealerships in 1989, only a fraction more than in 1988. But parts and service accounted for 64 percent of the average dealership's profits in 1989, compared with only 29 percent in 1988, NADA said.

The high cost of expanding a single-dealership parts department, especially the high cost of real estate in many areas, discourages dealers from simply expanding their own parts departments to serve their own needs, said Douglas E. Eriksen, Neil Parts vice president.

On Long Island, "you don't have the opportunity to spread out," said Eriksen. "Space is at a premium. If you were in Texas, you could buy a couple of acres, but you can't do that here."

Eriksen estimated that more than 75 percent of Neil Parts' business is with independent body shops; about 20 percent is with fleets, including Pan Am, plus Avis, National and Alamo rentals; and about 5 percent is with dealers, including Feldstein's own dealerships.

GM could be opening a niche for dealers by reducing the number of its parts distribution centers from 25 to 20 nationwide by the middle of next year.

The Long Island center has already stopped taking orders from dealers and is expected to be closed by the end of the year, along with parts distribution centers in Buffalo, N.Y., and Carnegie, Pa., a Pittsburgh suburb.

GM will also close parts centers in Baltimore and North Brunswick, N.J., by mid-1991.

GM will service all those areas from an existing parts center in Philadelphia and a new one that has opened in Martinsburg, W.Va., said GM spokesman Duane Poole.

Poole said the larger, better-stocked centers should deliver parts just as fast, or even faster than the old centers. But he acknowledged that some short-notice requirements could be better served by local warehouses.

Like Feldstein, dealers in some of the other areas affected by the GM closings expect to pick up some extra business as a result.

Paul Lilja, parts manager for Rohrich Cadillac Inc. (Sterling-Hyundai-Toyota-Suzuki) in Pittsburgh, says his parts department has tripled in size in the last two years, and he recently leased a four-story warehouse, partly because of the GM move.

"The business is there for the people who want to make the investment," Lilja says.

Rob Spiegel, general parts manager for Lustine GM Parts Distributors, the giant parts department of Lustine Chevrolet in Hyattsville, Md., near Washington, says he expects "some increase" in sales to GM dealers because of the Baltimore warehouse closing, but not a dramatic increase.

Lustine GM Parts Distributors already sells more GM parts than any other dealer parts department, Spiegel says, with sales of about $36 million last year.

Spiegel says the GM closings "will make a difference to dealers who, as the dealers say, 'live out of the warehouse,' who make one or two will-calls a day to pick up parts they've sold that morning. There are very few of those, but those dealers may have to increase their inventory."

But John Morrison, parts manager for Castriota Chevrolet Inc. in Pittsburgh, says there's no reason to start a new business as long as GM's service is adequate.

"Some of the big dealers around here have been buying up warehouses and stock in anticipation of GM's Carnegie center shutting down. We looked at it, too, but we think it might be a mistake," Morrison said.

"I was sorry to see Carnegie shut down because I lost a lot of friends there, but Martinsburg has been doing a bang-up job," he says.

Tom Webb, chief economist for the National Automobile Dealers Association, says the wholesale parts trade is "a business where you have to either get in it in a big way or get out of it."

That sentiment was echoed by Chuck Hutton, owner of Chuck Hutton Chevrolet in Memphis, Tenn., the No. 2 GM parts seller behind Lustine Chevrolet.

"To stay in the parts business, you can't be just sorta in it," Hutton says. Besides the start-up costs, a parts business has continuing expenses like accounts receivable, bad debts and obsolete inventory, he says.

Hutton's parts subsidiary had sales of about $26.5 million last year, he says.

Neil Parts Vice President Douglas Eriksen, right, directs stocking of parts at the company's warehouse in Holbrook, N.Y.

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National and International

Volkswagen de Mexico expects sales, export gains

By Stephen Downer
STAFF CORRESPONDENT

MEXICO CITY — As Volkswagen de Mexico celebrates production of its two millionth VW, company President Martin Josephi is looking confidently ahead.

The company anticipates strong sales increases in both its home market and exports. Josephi said it has been a source of national pride that the parent company, Volkswagen AG in Germany, has designated Mexico as the center of production for the Americas.

Josephi made his remarks outside the official residence of President Carlos Salinas de Gortari. The Mexican president was the principal guest at a ceremony marking the production in Mexico of the one millionth Beetle and the two millionth VW vehicle, a 16-valve Golf GTI. The company was formed early in 1964 and production started two years later.

In the last several years, Volkswagen de Mexico has doubled the work force at its Puebla plant, where 20,439 are employed today, 16,673 of them blue collar workers. Production has risen from 48,717 vehicles in 1988 to 141,815 through the first nine months of this year.

In June alone, according to Josephi, 10,000 Beetles were produced, all for the Mexican market. Volkswagen has a leading 38 percent share of the small-car segment and a 28 percent share of the overall market.

Golf and Jetta models to the United States and Canada.

According to Josephi, the company's gross earnings from exports this year will be about $800 million, 40 percent of total gross sales.

Apart from exporting finished vehicles, VW de Mexico also exports 1,000 engines a day to Germany, said Josephi. He said the company plans to increase vehicle exports from 55,000 this year to 67,000 vehicles next year, more than 25 percent of the Mexican automotive industry's export total. Most will go north, but Josephi said about 3,000 will be shipped to new markets in South America.

Next year, he added, the company plans to sell 154,300 vehicles in Mexico, 80 percent more than in 1989.

Josephi told reporters that he hoped a score of European parts companies would start building plants in Mexico next year. Josephi, representatives of Daimler-Benz and Mexican Trade and Industrial Development Minister Jaime Serra Puche were members of a Mexican trade mission to Europe that recently attempted to attract parts suppliers to Mexico.

Josephi said that the mission met about 120 suppliers, and 20 of those showed great interest.

"We hope they will make a decision on whether to come this year," he said. They were in such fields as plastics, electronics and iron and

MINIVANS

FROM PAGE 3

on to build a plant in Spain or ortugal to jointly produce about 0,000 minivans a year, beginning 1993 or 1994. The Setubal indus- ial area near Lisbon is considered e most likely location.

VW and Ford have acknow- dged only that they are studying cooperative agreement. They aintain that no decision has been ade to produce a vehicle.

"Both sides are working on the oject, doing the research and arket studies," said a VW spokes- an. "These things have to be arified. There is no decision."

Known internally as the VX62, e Ford-VW project is believed to based primarily on VW Passat echanicals. It is believed that ch company would market half e output under its own brand me, with separate exterior de- gns being used over a common echanical base.

dam Opel

General Motors Europe, mean- hile, has canceled plans to base a all high-roof van on the Astra placement for the Opel Kadett at will debut at the Frankfurt ow next September. But insiders y the company is still considering ternatives.

The earlier idea was to source Opel-engineered van in Brazil d to market it in Europe and the nited States. "We're not going to one based on the T-car (Astra), t that doesn't mean we are not terested in the segment," said a M official.

Another GM Europe executive lled minivans "our No. 1 new oduct issue. We're going to be ere."

But GM Europe will not adopt orth America's front-wheel-drive astic-bodied minivan as its own. ngineers at GM's Adam Opel AG Ruesselsheim, Germany, are own to prefer the Toyota Previa ncept with its centrally mounted gine. The placement improves lance, lowers the center of grav- and permits a less prominent se, they say.

Mercedes, BMW

Both Mercedes-Benz AG and BMW AG have studied minivan concepts for possible production, and sources indicate that both now lean toward going ahead. BMW is known to have solicited design studies from outside consultants, while Mercedes has hired the design and engineering firm IDEA Institute of Turin, Italy, to build two prototypes.

According to reports, the Mercedes van would be based on the mid-sized W124 chassis for pre-series testing and could be displayed at the Geneva auto show next March as a concept vehicle.

If displayed at Geneva, the concept minivan — which would be designed internally, not by IDEA — would be used to test public reaction. Mercedes' front-wheel-drive minivan program, codenamed F100, was conceived largely with the U.S. market in mind. Word out of Stuttgart is that a production version, based on the W124 replacement, could arrive in about 1994.

Chrysler

Chrysler Corp. recently introduced its facelifted Voyager in Europe. Earlier this year, it announced plans to build the Voyager at its Eurostar GmbH joint venture with Steyr-Daimler-Puch in Graz, Austria. The Eurostar plant is scheduled to be completed in December, and production is slated to begin late next year at an initial annual rate of 25,000.

"Europe's baby boom was a little later getting started than the one in America," Joseph Cappy, Chrysler Corp.'s vice president for international operations, said at the recent Paris auto show. "The oldest American baby boomers are approaching middle age, but those in Europe are just hitting their early 30s. And that's the peak age for Voyager buyers."

Fiat and Peugeot

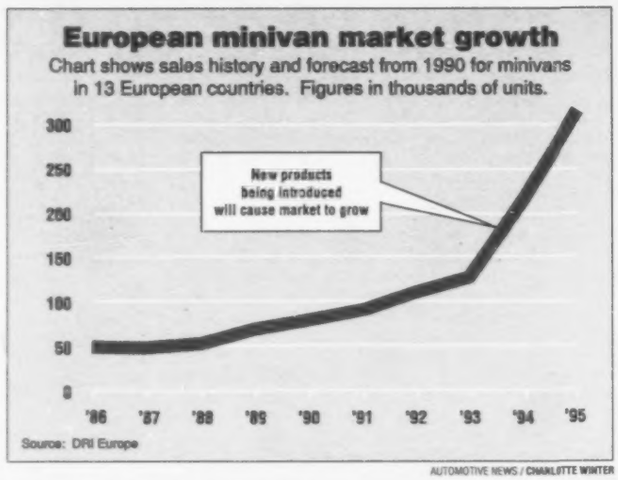
Fiat Auto S.p.A. is rumored to be interested in a deal to market Chrysler minivans in Italy. But Fiat also is working with France's Peugeot on a minivan project, the W10, under the aegis of the two companies' Sevel commercial van joint venture. The Sevel small van is conceived on an all-new platform — using neither the Fiat Tipo nor Peugeot 405 as a base. Introduction is expected in about 1993.

Meanwhile, Renault, Europe's longtime minivan leader, will unveil an updated Espace van at the Geneva auto show next March. The P36 van will have a softer look with a much rounder nose.

Lamborghini

One other tantalizing prospect: Lamborghini is considering developing a V-12 minivan by 1995 to round out its range.

The minivan is being weighed against a four-seater or another mid-engined supercar as the third model in the lineup.



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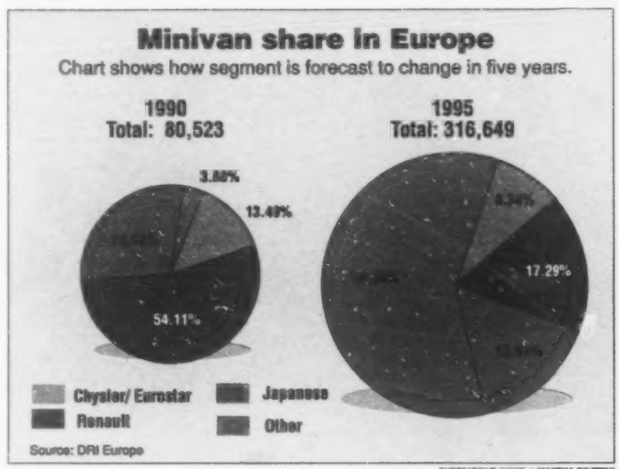

AUTOMOTIVE NEWS / MARTHA GRATIAN

SALES

FROM PAGE 3

truck sales were up 11.4 percent.

Car sales rose for both Ford and Lincoln-Mercury divisions. Escort, up 43.6 percent over 1989, was the star performer.

Every transplant except Mitsubishi reported a healthy increase over a year ago. Mitsubishi's sales fell 6.6 percent.

Sales of Mazda cars jumped 178 percent, and Mazda also sold 361 of its new Navajo sport-utility vehicles. Toyota reported a 47.3 percent hike. Honda's sales rose 44.1 percent. Nissan delivered 6,508 cars and trucks, a 15.2 percent increase.

10-DAY SALES

DOMESTIC BUILT

CARS

	Oct. 11-20, 1990	% change '90 vs. '89
Eagle	1,142	+ 7.9
Chrysler	4,746	+ 4.3
Dodge	10,316	– 0.3
Plymouth	7,377	+ 15.7
CHRYSLER MTRS.	**23,581**	**+ 5.6**
Ford	34,756	+ 5.4
Lincoln	5,579	+ 21.4
Mercury	9,633	+ 15.8
FORD MOTOR	**49,968**	**+ 8.9**
Buick	14,748	+ 33.0
Cadillac	5,730	– 8.8
Chevrolet	30,775	+ 12.0
Oldsmobile	15,179	+ 47.6
Pontiac	14,139	– 4.7
GENERAL MTRS.	**80,571**	**+ 15.1**
HONDA	**12,037**	**+ 44.1**
MAZDA	**1,693**	**+178.5**
MITSUBISHI	**1,211**	**– 6.6**
NISSAN	**3,249**	**+ 7.0**
SUBARU	**404**	**—**
TOYOTA	**9,213**	**+ 47.3**
U.S. CAR TOTAL	**181,927**	**+ 15.3**

TRUCKS

Chrysler	62	– 32.6
Dodge	9,653	– 25.3
Jeep	5,160	– 13.5
Plymouth	3,756	– 5.0
CHRYSLER MTRS.	**18,631**	**– 18.7**
FORD MOTOR	**34,707**	**+ 11.4**
Chevrolet	30,651	+ 3.9
GMC	8,578	+ 6.2
Oldsmobile	681	—
Pontiac	781	—
GENERAL MTRS.	**40,691**	**+ 7.5**
ISUZU	**1,057**	**—**
MAZDA	**361**	**—**
NISSAN	**3,259**	**+ 24.6**
U.S. TRK. TOTAL	**98,706**	**+ 4.4**
U.S. CAR-TRUCK TOTAL	**280,633**	**+ 11.2**

There were 9 selling days in the period this year and 9 last year.

HODGES IMAGE HANS G. LEHMANN

tist's concept of Mercedes-Benz show minivan features rounded styling and extensive glass area, including all-glass rear door. Technical highlights include ur-wheel steering, rear-mounted video camera to aid driver when backing up, electronic window tinting, electronic navigation system and ability to ommunicate" with driver, reacting to voice requests.

Land Rover mulls bid for Brazil maker

RIO DE JANEIRO — Land Rover Ltd., which produces Range Rover off-road vehicles, is considering a takeover bid for Brazil's Engesa S.A., a leading producer of military and commercial utility vehicles.

According to sources at the British Embassy, several Land Rover executives are in Brazil to decide whether to bid on all or part of Engesa, or on building a greenfield assembly plant. A decision is expected soon.

Land Rover's parent, British Aerospace PLC, favors the acquisition of Engesa because of the possibility for marrying Engesa's enormously varied arms manufacturing potential with BAe's world wide marketing clout.

The sources said, however, that BAe considers the asking price — $70 million, plus assumption of $300 million in debt — to be excessive.

Rover is not the only manufacturer eyeing Brazil. Chrysler Corp.'s Jeep-Eagle unit also is known to be studying the feasibility of assembling vehicles in Brazil. Toyota Corp., which manufactures four-wheel-drive vehicles here, recently purchased land to build a second factory.

— Rik Turner

Banks weigh restructuring of Bivouac

By Joseph Bohn
TRUCK EDITOR

Bivouac Industries Inc.'s two major banks are discussing a restructuring plan that would allow the van converter to go forward in a scaled-down size.

Scott Chapman, president of the Vandalia, Mich., firm, formed a private group that plans to re-purchase controlling interest from a New York investment group.

Chapman founded Bivouac in 1971, but sold it to private investors in 1987. The company was forced to shut down for several days beginning Oct. 5 after it ran out of money. It resumed operating with a skeleton crew that was finishing work on uncompleted vehicles. There were orders for all the unfinished vehicles, Chapman said.

"What was strictly a crew doing building out is now a crew that's going to be doing fresh business," Chapman said.

The banks are Ameritrust National Bank of Elkhart, Ind., and Den norske Bank of New York.

An Ameritrust spokesman said his bank is talking to Bivaouc about a restructuring, but cannot comment about its outcome at this point.

Chapman said he received encouragement from dealers following an Oct. 15 *Automotive News* story about his financial plight.

"We feel good enough to do 91 orders" this week, Chapman said.

He plans to operate Bivouac with a crew of about 40 people, sufficient for about 1,700 van conversions yearly.

In the 1990 model year, Bivouac converted 5,700 vans and produced another 850 high cube trucks. Bivouac was Ford Motor's No. 1 converter in calendar 1989. At its peak in 1985, Bivouac converted about 7,500 vans, Chapman said.

Scaled down, Bivouac will be strictly a van converter. It has dropped its Bivouac Commercial Vehicles operation.

Chapman plans to continue converting vans on all the major domestic van manufacturers' chassis, and he said he has a "commitment from the motor companies to supply what Bivouac needs."

Jerome Mittman, Ford Division recreational vehicle sales manager, said, "If everything works out with Bivouac, we will support them with chassis. We have to see the details of what they work out, but our intent is to support them as much as we can."

Thomas Pfingst, Chevrolet Division assistant director of fleet sales, truck and special vehicles, said, "There's no question we will support him, if he gets his company restructured.

"He's been in the business a long time, and he runs an honorable company. We will do everything possible within our guidelines to support him."

PRODUCTION

U.S. CAR

	Week Ended Oct. 27, 1990	Week Ended Oct. 20, 1990	Oct to Date	Jan. 1 to Oct. 27, 1990	Jan. 1 to Oct. 28, 1989
Horizon	0	0	0	4,327	27,337
Sundance	2,400	2,472	9,714	74,301	85,817
Acclaim	3,100	3,790	13,314	96,639	105,672
Total Plymouth	**5,500**	**6,262**	**23,028**	**175,267**	**218,826**
LeBaron A	0	0	0	8,071	0
LeBaron J	0	1,430	4,185	43,740	85,779
LeBaron GTS	0	0	0	0	2,946
N. Yorker C-Class	600	626	2,478	32,378	68,068
Fifth Avenue	1,000	1,093	4,224	29,784	20,787
Imperial	300	440	1,656	15,964	1,535
Total Chrysler	**1,900**	**3,589**	**12,543**	**129,937**	**179,115**
Omni	0	0	0	4,078	29,159
Daytona	0	945	2,773	29,145	66,925
Shadow	2,300	2,318	9,394	82,055	84,113
Dynasty	2,700	2,754	10,924	99,165	109,738
Lancer	0	0	0	0	1,528
Spirit	2,500	3,112	11,003	86,547	92,672
Total Dodge	**7,500**	**9,129**	**34,094**	**300,990**	**384,135**
CHRYSLER MOTORS	**14,900**	**18,980**	**69,665**	**606,194**	**782,076**
Escort	8,250	7,211	31,803	208,208	291,148
Mustang	3,705	3,679	14,568	113,551	168,225
Tempo	3,237	0	9,475	108,536	124,797
Taurus	7,020	3,520	26,366	286,619	300,870
Thunderbird	3,813	0	10,110	97,983	120,288
Total Ford Div.	**26,025**	**14,410**	**92,322**	**814,897**	**1,005,328**
Topaz	1,159	0	3,748	40,928	57,561
Cougar	1,812	0	6,765	65,146	102,703
Sable	2,205	1,720	8,928	88,786	99,949
Total Mercury	**5,176**	**1,720**	**19,441**	**194,860**	**260,213**
Continental	1,180	1,179	4,752	49,913	53,846
Mark VII	210	207	847	16,517	17,415
Town Car	2,770	2,774	11,188	125,310	102,778
Total Lincoln	**4,160**	**4,160**	**16,787**	**191,740**	**174,039**
Total L-M Div.	**9,336**	**5,880**	**36,228**	**386,600**	**434,252**
FORD MOTOR CO.	**35,361**	**20,290**	**128,550**	**1,201,497**	**1,439,580**
Skyhawk	0	0	0	0	6,913
Skylark/Somerset	2,431	2,236	9,641	78,250	53,675
Century	2,120	2,232	6,699	57,680	106,985
Riviera	587	552	2,214	18,858	16,572
Electra Park Ave.	2,650	2,734	10,927	50,857	66,735
LeSabre (fwd)	3,835	3,824	14,890	136,214	128,342
LeSabre (rwd)	0	0	0	4,022	6,278
Reatta	0	0	0	5,277	5,209
Total Buick	**11,623**	**11,578**	**44,371**	**351,158**	**390,709**
Eldorado	493	488	2,108	17,993	24,836
Seville	784	739	2,648	29,112	18,338
Brougham (rwd)	0	0	2,218	25,631	47,242
DeVille (fwd)	4,283	4,316	17,062	138,089	154,129
Allante	89	89	356	3,203	2,617
Total Cadillac	**5,649**	**5,632**	**24,392**	**214,028**	**247,162**
Cavalier	10,044	9,8[illegible]	38,057	291,433	302,708
Camaro	2,260	2,038	8,428	64,802	85,325
Celebrity	0	0	0	0	70,720
Corsica/Beretta	6,160	6,116	24,652	240,320	307,468
Caprice	0	0	0	181,868	144,903
Corvette	560	544	2,280	19,982	21,011
Total Chevrolet	**19,024**	**18,582**	**73,417**	**798,405**	**932,135**
Calais	2,975	2,313	10,086	87,398	75,155
Cutlass Ciera	1,525	1,281	4,152	59,681	71,608
Cutlass Supreme	2,038	2,166	8,525	79,513	95,499
Toronado	384	357	1,404	13,125	7,962
88 (fwd)	2,632	2,478	10,136	88,229	119,346
88 (rwd)	0	0	0	1,223	6,664
98	1,973	647	3,867	38,551	60,507
Total Oldsmobile	**11,527**	**9,242**	**38,170**	**367,720**	**436,741**
Sunbird	4,000	3,796	15,486	136,833	123,289
Grand Am	6,360	5,338	23,342	183,466	199,986
Firebird	1,093	1,093	4,445	37,765	48,190
Grand Prix	3,243	3,197	12,728	103,524	111,130
Pontiac 6000	1,298	1,277	3,936	47,036	66,962
Bonneville	1,710	1,433	6,207	66,154	78,806
Safari Parisienne	0	0	0	0	2,691
Total Pontiac	**17,704**	**16,134**	**66,144**	**574,778**	**631,054**
Total Saturn*	**150**	**150**	**600**	**2,175**	**0**
GENERAL MOTORS	**65,677**	**61,318**	**247,094**	**2,308,264**	**2,637,801**
DIAMOND-STAR	**4,158**	**3,717**	**15,070**	**126,108**	**68,070**
HONDA	**9,180**	**9,713**	**37,005**	**364,492**	**306,596**
Civic	1,500	1,783	6,182	89,140	113,657
Accord	7,680	7,930	30,823	275,352	192,939
MAZDA†	**4,904**	**3,863**	**17,064**	**149,803**	**171,196**
NISSAN	**3,258**	**2,503**	**10,685**	**75,170**	**98,122**
NUMMI	**4,200**	**4,290**	**17,839**	**158,564**	**165,470**
Corolla	2,100	2,137	8,910	84,880	67,353
Geo Prizm/Nova	2,100	2,153	8,929	83,784	98,117
SUBARU-ISUZU	**1,100**	**661**	**3,650**	**25,280**	**0**
TOYOTA	**4,550**	**4,545**	**17,981**	**182,934**	**119,617**
TOTAL CARS, U.S.	**147,288**	**130,080**	**564,603**	**5,208,406**	**5,788,528**
TOTAL CARS, CANADA	**26,622**	**22,235**	**96,104**	**869,910**	**807,749**
U.S., CANADA CARS	**173,910**	**152,315**	**660,707**	**6,078,316**	**6,596,277**
U.S., CANADA CARS AND TRUCKS	**272,752**	**249,681**	**1,049,923**	**10,093,280**	**10,842,375**

Monthly estimates may contain error of one or two units due to rounding.
†Total includes MX-6, 626 and Ford Probe. *Estimated

CANADIAN CAR

	Week Ended Oct. 27, 1990	Week Ended Oct. 20, 1990	Oct to Date	Jan. 1 to Oct. 27, 1990	Jan. 1 to Oct. 28, 1989
Monaco	0	0	1,330	8,556	0
Premier	0	0	714	10,123	29,812
CHRYSLER MOTORS	**0**	**0**	**2,044**	**18,679**	**29,812**
Tempo	3,739	0	9,729	95,478	109,249
Topaz	923	0	3,039	35,398	46,486
Crown Victoria	2,690	2,672	10,181	100,161	98,382
Grand Marquis	3,080	2,913	11,421	93,744	106,584
FORD MOTOR CO.	**10,432**	**5,585**	**34,370**	**324,781**	**360,701**
Celebrity	0	0	0	20,319	19,422
Cutlass Ciera	1,780	1,787	6,837	64,840	102,493
Lumina	5,640	5,699	20,533	183,561	140,400
Regal	2,360	2,397	9,373	82,444	65,101
GENERAL MOTORS	**9,780**	**9,883**	**36,743**	**351,164**	**327,416**
CAMI	**2,000**	**2,160**	**5,860**	**12,660**	**0**
HONDA	**2,150**	**2,162**	**8,346**	**86,244**	**69,621**
HYUNDAI	**830**	**839**	**3,089**	**19,909**	**0**
TOYOTA	**1,250**	**1,426**	**4,995**	**49,863**	**13,505**
VOLVO	**180**	**180**	**657**	**6,610**	**6,694**
TOTAL CARS, CANADA	**26,622**	**22,235**	**96,104**	**869,910**	**807,749**

U.S. TRUCK

Caravan	1,300	1,467	5,447	75,418	89,052
Dakota	1,700	1,749	7,134	61,237	77,496
Caravan C/V	0	0	0	4,171	5,612
Ram pickups	2,100	2,206	8,742	88,952	77,015
Total Dodge	**5,100**	**5,422**	**21,323**	**229,778**	**249,175**
Cherokee	3,900	0	11,742	129,409	179,091
Comanche	300	0	998	7,545	23,087
Grand Wagoneer	0	0	335	5,594	8,452
Wagoneer	100	0	320	3,265	6,674
Total Jeep	**4,300**	**0**	**13,395**	**145,813**	**217,304**
Voyager	1,200	1,455	5,022	70,106	83,340
Town & Country	0	0	0	2,078	2,989
Total C-P Div.	**1,200**	**1,455**	**5,022**	**72,184**	**86,329**
CHRYSLER MOTORS	**10,600**	**6,877**	**39,740**	**447,775**	**552,808**
Aerostar	3,760	4,039	17,531	177,069	186,358
Bronco	883	703	3,544	42,529	60,478
Bronco II/Explorer	5,803	6,449	24,232	167,617	98,299
Navajo	301	352	1,345	5,845	0
Econoline	0	0	7,629	149,510	185,046
Mediums/Heavies	0	1,164	3,487	42,419	48,561
Light trucks	7,716	9,390	37,413	385,306	437,894
Ranger	7,081	7,023	26,280	239,032	260,068
Total Ford Div.	**25,544**	**29,120**	**121,461**	**1,209,327**	**1,274,704**
FORD MOTOR CO.	**25,544**	**29,120**	**121,461**	**1,209,327**	**1,274,704**
Astro	2,825	2,777	11,782	109,465	135,968
Blazer	355	333	688	14,291	22,515
Lumina APV	1,928	1,827	7,474	72,921	0
Mediums/Heavies	431	494	1,904	7,800	5,930
P-Model	630	0	630	17,936	25,196
Pickups	7,773	7,271	30,538	354,992	337,434
S-10	5,944	5,435	20,703	201,909	201,195
S-10 Blazer	2,989	3,429	11,052	68,267	147,481
Sportsvan/Van	1,380	1,482	5,601	51,649	80,647
Suburban	1,677	1,633	3,310	57,833	62,146
Total Chevrolet	**25,932**	**24,681**	**93,682**	**957,063**	**1,018,512**
Jimmy	113	125	238	4,375	7,017
Mediums/Heavies	469	409	1,998	7,466	10,460
P-Model	70	0	70	2,375	3,401
Pickups	2,113	2,541	8,395	125,053	101,878
S-15 Sonoma	1,048	1,290	4,036	44,307	50,552
S-15 Jimmy	990	830	3,823	22,988	43,131
Safari	935	1,125	3,727	38,199	36,608
Suburban	665	652	1,317	27,931	26,383
Vandura/Rally Vans	540	458	2,114	19,331	24,715
Total GMC	**6,943**	**7,430**	**25,718**	**292,025**	**304,145**
Olds Silhouette	618	656	2,547	27,190	0
Pontiac Trans Sport	1,098	1,069	4,263	39,874	0
GENERAL MOTORS	**34,591**	**33,836**	**126,210**	**1,316,142**	**1,322,657**
NAVISTAR	**1,580**	**1,588**	**5,796**	**60,953**	**67,161**
NISSAN	**3,132**	**2,474**	**10,558**	**117,454**	**100,456**
SUBARU-ISUZU	**1,148**	**690**	**3,945**	**27,996**	**0**
AM GENERAL	**450**	**450**	**1,800**	**18,540**	**18,990**
MISCELLANEOUS	**3,000**	**3,000**	**12,000**	**123,600**	**120,600**
TOTAL TRUCKS, U.S.	**80,045**	**78,035**	**321,510**	**3,321,787**	**3,457,376**

CANADIAN TRUCK

Caravan	2,325	2,415	8,726	102,441	121,253
Caravan C/V	107	73	183	5,793	8,761
Ram Wagon	1,595	1,608	3,751	20,467	21,789
Ram Van	325	301	3,553	49,082	60,903
Total Dodge	**4,352**	**4,397**	**16,213**	**177,783**	**212,706**
Voyager	1,825	1,947	7,018	82,615	104,587
Total Plymouth	**1,825**	**1,947**	**7,018**	**82,615**	**104,587**
Wrangler	1,500	1,527	5,514	48,849	64,973
Total Jeep	**1,500**	**1,527**	**5,514**	**48,849**	**64,973**
CHRYSLER MOTORS	**7,677**	**7,871**	**28,745**	**309,247**	**382,266**
FORD MTR (lt. trks.)	**3,040**	**3,040**	**11,362**	**114,645**	**130,673**
Light trucks	3,444	4,022	12,714	140,910	133,937
Vans	1,423	1,534	3,926	42,666	49,308
Total Chevrolet	**4,867**	**5,556**	**16,640**	**183,576**	**183,245**
Light trucks	1,436	1,225	5,601	52,674	60,337
Vans	527	396	1,297	16,915	22,850
Total GMC	**1,963**	**1,621**	**6,898**	**69,589**	**83,187**
GENERAL MOTORS	**6,830**	**7,177**	**23,538**	**253,165**	**266,432**
CAMI	**1,100**	**1,103**	**3,503**	**8,703**	**0**
NAVISTAR	**150**	**140**	**558**	**7,417**	**9,351**
TOTAL TRKS., CANADA	**18,797**	**19,331**	**67,706**	**693,177**	**788,722**
U.S., CANADA TRKS.	**98,842**	**97,366**	**389,216**	**4,014,964**	**4,246,098**

Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz.

Car build climbs 13% to 147,288

By Karen Detkowski
AUTOMOTIVE NEWS STATISTICIAN

U.S. auto production rose last week as workers returned at five plants.

Scheduled production of 147,288 cars last week was 13.23 percent above the prior week and 0.78 percent above the year-ago week.

So far this year, 5,208,406 cars have been assembled, 10.02 percent behind last year at this time.

Truck output was scheduled at 80,045 units last week, 2.58 percent above the previous week and 6.23 percent above the 1989 week.

Year-to-date truck output is 3.92 percent below last year at this point, the closest 1990 production has been to last year's total.

All Ford Motor Co. assembly facilities except Norfolk, Va., are scheduled to operate this week. Norfolk, which produces the F-series pickup, will be idle one week because of a shortage of dealer orders.

Ford scheduled Saturday overtime last week at its Escort assembly plant in Wayne, Mich.

General Motors will resume output at the Willow Run, Mich., plant today after five weeks of downtime.

GM scheduled Saturday overtime last week at Lansing, Mich., A- and B-lines; Lake Orion, Mich.; and Janesville, Wis.

The Janesville plant also worked two shifts of overtime Friday.

Chrysler Corp. reported overtime at its Newark, Del., assembly plant last Saturday. The company's St. Louis No. 1 plant resumed output after one week of downtime for inventory adjustment. The plant will operate on single eight-hour daily shifts.

Canada's gain is nearly 20%

Canadian auto producers scheduled 26,622 units last week, 19.73 percent above the prior week's build and 12.37 percent above the year-ago week.

Year-to-date, 869,910 cars have been produced, 7.70 percent above the 807,749 produced at this point in 1989.

Truckmakers assembled 18,797 units last week, 2.76 percent above the previous week and 23.86 percent below the year-ago week.

Year-to-date truck production stands at 693,177 units, 12.11 percent below last year at this time.

CLOSINGS

FROM PAGE 1

GMC full-sized vans) will be idle four weeks beginning Nov. 5.

- Fort Wayne, Ind., (Chevrolet-GMC full-sized pickups) will be idle two weeks beginning Nov. 5.
- Pontiac (East), Mich., (Chevrolet-GMC full-sized pickups) will be idle two weeks beginning Nov. 5.
- Tarrytown, N.Y., (Chevrolet-Oldsmobile-Pontiac minivans) will go down Nov. 5 for two weeks.
- Scarborough, Ontario, (Chevrolet-GMC full-sized cargo and passenger vans, will be idle three weeks beginning Nov. 5.

Five car plants will close Nov. 5. Bowling Green, Ky. (Corvette), will resume after one week. Down two weeks will be Wilmington, Del., (Corsica-Beretta), Van Nuys, Calif., (Firebird-Camaro); Fairfax, Kan., (Grand Prix); and Oklahoma City, (Century-Ciera-Pontiac 6000).

Tentative schedules at GM indicate further closings are expected by Nov. 5 at Linden, N.J., (Corsica-Beretta) and Wentzville, Mo., (Bonneville-Park Avenue-Oldsmobile 88).

The supplier source said the truck plant in Moraine, Ohio, (S pickup-Blazer-Jimmy-Oldsmobile Bravada) is expected to be idled in November and the truck plant in Baltimore (Astro-Safari) is expected to be idled in December.

The source said the truck plant in Oshawa, Ontario, (GMC-Chevrolet full-sized pickups) may be idled as soon as this week, and the car plant in Ste. Therese, Quebec, (Oldsmobile Ciera) for two weeks beginning Dec. 10.